



DR. BEYERS NAUDÉ LOCAL MUNICIPALITY

MINUTES

VIRTUAL SPECIAL COUNCIL MEETING

TUESDAY, 13 JULY 2020
@ 12H00

SCOUN-
050.1/20

BUDGET 2020/21 TO 2022/2023 MTREF

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PURPOSE

The purpose of this report is to table to Council the proposed budget for 2020/21 financial year.

BACKGROUND/INTRODUCTION

The council must annually table a budget before or on 31 May of every financial year. This was however impossible due to Covid-19 pandemic. The MFMA also makes provision, in absence of above, for annual budget to be tabled before 1 July of every financial year.

CONTENT

The annual budget 2020/2021 is herewith tabled to Council.

FINANCIAL IMPLICATIONS

As per annual budget 2020/2021.

LEGAL FRAMEWORK

Municipal Finance Management Act, Act 56 of 2003
Municipal Budget and Reporting Regulations

COMMENTS FROM THE ACTING CHIEF FINANCIAL OFFICER:-

Recommendation supported.

COMMENTS FROM ACTING DIRECTOR: CORPORATE SERVICES: -

Recommendation supported.

COMMENTS FROM THE ACTING DIRECTOR: COMMUNITY SERVICES: -

Recommendation supported.

COMMENTS FROM THE ACTING DIRECTOR: ENGINEERING AND PLANNING SERVICES: -

Recommendation supported.

CONCLUSION

The budget will be made public as required.

DISCUSSIONS IN THE MEETING

The Mayor presented the annual budget of the Dr Beyers Naudé Municipality for the financial year 2021/20 and the indicative allocations for the projected outer years 2021/22 and 2022/23; and the multi-year and single year capital appropriations for the purpose of complying with section 24 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003 and for the adoption and approval of Council.

The adoption of the budget as presented by the Mayor was proposed by the Chief Whip, Councillor Angeline Booyens and seconded by Councillor Koeberg.

The Speaker called further proposals and with there being no further proposals to the recommendation of the Mayor, the Annual Budget 2020/2021 to 2022/2023 MTREF was adopted and confirmed.

RESOLVED

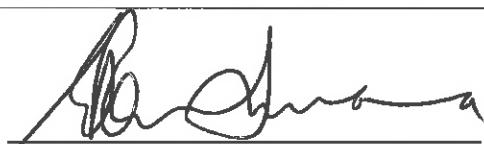
(a) The Mayor recommends that the Council resolves that:

- 1 The annual budget of the Dr Beyers Naudé Municipality for the financial year 2021/20 and the indicative allocations for the projected outer years 2021/22 and 2022/23; and the multi-year and single year capital appropriations be approved for the purpose of complying with section 24 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as set-out in the following tables:-

- | | <p>1.1 Consolidated Budget Summary – Schedule A1.</p> <p>1.2 Budgeted Financial Performance (revenue and expenditure by standard classification) – Schedule A2.</p> <p>1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) – Schedule A3.</p> <p>1.4 Budgeted Financial Performance (revenue by source and expenditure by type) – Schedule A4.</p> <p>1.5 and Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source – Schedule A5.</p> <p>2 The final budgeted financial position, budgeted cash flows, cash-backed reserves/accumulated surplus, asset management and basic service delivery targets be noted as set-out in the following tables: -</p> <p>2.1 Budgeted Financial Position – Schedule A6</p> <p>2.2 Budgeted Cash Flows – Schedule A7</p> <p>2.3 Cash backed reserves and accumulated surplus reconciliation – Schedule A8</p> <p>2.4 Asset management – Schedule A9</p> <p>2.5 Basic service delivery measurement – Schedule A10</p> <p>3 The service tariffs and property rates be increased by 6% and Electricity by 9% as per the tariffs schedule with effect from 1 July 2020;</p> <p>4 The indicative tariffs for 2021/22 and 2022/23 be increased as follows: -</p> <table> <thead> <tr> <th></th> <th>2021/22</th> <th>2022/23</th> </tr> </thead> <tbody> <tr> <td>Property rates</td> <td>6%</td> <td>6%</td> </tr> <tr> <td>Water</td> <td>6%</td> <td>6%</td> </tr> <tr> <td>Sanitation</td> <td>6%</td> <td>6%</td> </tr> <tr> <td>Refuse</td> <td>6%</td> <td>6%</td> </tr> <tr> <td>Electricity</td> <td>15%</td> <td>15%</td> </tr> </tbody> </table> <p>5 That the detailed capital budget as per Annexure C be approved;</p> <p>6 That the tariffs, fees and charges as reflected on the tariff list, in terms of Section 30 (2) and 93(4) of the Local Government: Municipal Structures Act, Act No: 117 of 1998 (as amended), read with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, be approved with effect 1 July 2020</p> | | 2021/22 | 2022/23 | Property rates | 6% | 6% | Water | 6% | 6% | Sanitation | 6% | 6% | Refuse | 6% | 6% | Electricity | 15% | 15% |
|----------------|--|---------|---------|---------|----------------|----|----|-------|----|----|------------|----|----|--------|----|----|-------------|-----|-----|
| | 2021/22 | 2022/23 | | | | | | | | | | | | | | | | | |
| Property rates | 6% | 6% | | | | | | | | | | | | | | | | | |
| Water | 6% | 6% | | | | | | | | | | | | | | | | | |
| Sanitation | 6% | 6% | | | | | | | | | | | | | | | | | |
| Refuse | 6% | 6% | | | | | | | | | | | | | | | | | |
| Electricity | 15% | 15% | | | | | | | | | | | | | | | | | |

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| | <p>7. That the following final reviewed budget related policies be approved: -</p> <ul style="list-style-type: none"> (a) Credit control and debt collection (b) Tariff policy . (c) Supply Chain Management Policy (d) Asset management policy (e) Cash management, banking & investment policy (f) Budget policy (g) Virement policy (h) Funding and reserve policy (i) Borrowing policy (j) Indigent support policy (k) Rates Policy (l) Contract Management Policy (m) Unauthorised, Fruitless & Wasteful and Irregular Expenditure policy (n) Rewards, gifts and favours policy (o) Inventory management policy (p) Transport and fleet management policy <p>8. That the following final by-laws be approved:</p> <ul style="list-style-type: none"> (a) Tariff by-law (b) Credit control and debt collection by-law (c) Rates by-law <p>9. All Councillors demonstrate political will to implement Council's approved Credit Control and Debt Collection policy</p> <p>10.. Employee cost be capped at approved budget.</p> <p>11. Implementation of debt incentive scheme be accelerated</p> <ul style="list-style-type: none"> a) Council be workshopped on the incentive scheme. b) Council to ensure marketing of the incentive scheme and Indigent subsidy. <p>12. Restructuring of arrear creditors to ensure funding of the budget.</p> <p>13. Professional Debt collection company be appointed to collect outstanding debtors.</p> |
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| | <ol style="list-style-type: none">14. All conditional grant funding be ring fenced for grant related expenditure.15. Placement and appointment of staff be finalised.16. Moratorium be placed on all vacant position and only critical position be filled.17. The Organisational Structure be reviewed to suite operational requirements. | |
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SIGNED:

THE MUNICIPAL MANAGER,
DR. E.M. RANKWANA